Canadian Centre for Occupational Health and Safety

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The Role of Workplace Safety Incentives

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Introduction

This document examines safety incentives in the workplace. It is designed to help you in considering the establishment of an incentive program or improving the effectiveness of an existing program. Workplace safety incentives are internal contests, awards and behaviour feedback activities involving workgroups. Examples of workplace incentives include interdepartmental contests based on improved injury frequency statistics or good housekeeping awards.

Keep in mind that safety incentives do not replace an occupational health and safety program, but may be used as a small part of an overall health and safety program.* Do not consider using incentives without an established well-developed health and safety program which demonstrates a strong commitment to workplace health and safety. Injury frequency reductions are associated with safety incentives only when such incentives are part of a comprehensive health and safety program.

Controversy

The use of safety incentives as part of health and safety programs is controversial. One view is that safety incentives are a tool for the manipulation of workers, while supporters believe that incentives, are an effective method of motivating improved performance. Safety incentives, by themselves, will not reduce the number of workplace accidents. A workplace with many accidents may try to prevent paying out more money in extra Workers' Compensation assessments by starting a short term incentive program. In a workplace where concern for safety runs a poor second to production, incentive schemes will have very little effect on the number of accidents. In such workplaces safety incentives will be regarded by workers as fanciful additions to the real business of the enterprise. Workers and employers should not participate in safety incentives that attempt to mask poor working conditions.

An incentive program that creates a positive accident prevention climate can be quite valuable, while one that creates little interest is worthless.

The case for safety incentives

Safety incentives are claimed by supporters to be one method of influencing individual and group work behaviour. A workplace may need some specific effort to maintain interest in good housekeeping, hazard reporting or other routine procedures. The promotion of safety incentives can generate enthusiasm as part of a strong health and safety program[1].

*(For further information on health and safety programs refer to CCOHS Publication "A Basic Occupational Health and Safety Program").

The case for safety incentives *continued*

Many companies maintain that they have used various forms of incentives to decrease the number of accidents. Some companies state that they do not believe in paying people for being safe; however these same companies often present certificates or other non-monetary awards to workers for no lost-time accident periods.

Some incentive supporters say that there is a connection between incentives and having workers act in a desired manner. This improved behaviour is evidenced by:

1. adherence to specified work practices.
2. increased awareness and understanding of health and safety rules.
3. carrying out prearranged actions during an emergency.
4. acceptance of specific health and safety program elements such as the proper use of personal protective equipment[2].

Supporters of incentives argue that as part of a well-organized, comprehensive health and safety program, incentives are useful in making workers more safety conscious[3]. Components of effective safety incentive promotions are discussed in the Appendix.

A study found that, with the support of management, a tailor-made program that rewards group efforts would probably reduce the number of workplace accidents[4]. Successful incentive programs have the following characteristics:

1. Good communications, backed by strong efforts to make workers aware of the program including the use of articles in newsletters and posters.

2. Attainable goals, so that it is easy for workers to be rewarded for their accomplishments.

3. Non-monetary awards designed to reward as many workers as possible rather than a few.

Generally, reduced lost-time accidents, lower absenteeism and lower payments to Workers' Compensation Boards have been used to evaluate the effectiveness of incentive programs. In small workplaces or work groups, the total work hours do not provide a good statistical indicator for judging safety performance. It is often difficult to associate the safety effort with hard number results.

Goal setting by a work group can be an effective method of motivating people in safety[5]. It is preferable to develop an incentive program which emphasizes workers' activities rather than injury data to avoid statistical fluctuations and under-reporting of injuries. In the Appendix, example A describes an incentive program focusing on individual activities. In traditional incentive programs, winning awards does not depend on behaviour. This

The case for safety incentives *continued*

can in fact reinforce unsafe behaviour as a worker who may have been lucky in not having an accident is rewarded for a no accident record.

A goal based health and safety program should sample or audit for safe behaviour rather than unsafe acts. Rewarding proper behaviour will encourage it to be repeated and engrained. For maximum effectiveness in reducing injuries, consider incentives based upon goals as a method to reward individuals for safe behaviour.

The case against safety incentives

Safety incentive supporters argue that anything that raises safety awareness is worthwhile. Those against safety incentives claim the following:

- You cannot buy safety. It is better to have people feeling good, knowing they work in a safe environment than knowing they qualify for a prize[6].
- Any program that encourages workers to stay at work when it is unsafe for them to do so due to their physical condition should be avoided. It promotes 'walking wounded' situations and under-reporting of injuries, not a reduction of injuries[7].
- Proper training, effective supervision, and good human relations motivate more than awards.
- While reductions in the number of injured workers may show the benefits of a safety incentive program, any gains in worker health with fewer occupational disease cases are not readily apparent.
- Difficulties arise in weighing factors related to job risk and departmental work areas, causing indifference.
- The effect of these programs is to pressure workers to refrain from advising health and safety committee members of workplace accidents, and properly reporting them[8].

Some research has found that workplace safety incentives are not useful. A study of motivation found that economic rewards to motivate safe behaviour rated very low in effectiveness[9]. Other research determined that incentives were not typical parts of a successful safety program[10].

A series of studies examining features of successful safety program practices found that most of the successful workplaces used informational materials, such as newsletters, for maintaining worker safety awareness. Recognition awards were used more

The case against safety incentives *continued*

frequently at the management level, such as a plaque or publicity of outstanding plant records in a corporate newsletter. Safety information feedback to workers — performance ratings, area tallies of accident-free work-hours, posting recommendations for future prevention of incidents on bulletin boards — was more effective than safety incentives[11].

Role

This document has reviewed the role of safety incentives. The controversy over the use of incentives will likely continue as the few studies on this subject have been inconclusive. Only people with knowledge of the distinctive characteristics of your workplace can determine whether to implement a safety incentive program. The joint health and safety committee must decide whether an incentive program would be useful in an overall health and safety program. Safety incentives must not promote safety awareness by means of economic gain or peer pressure. The efforts of the health and safety committee may better be utilized in other areas such as training and information promotions. Safety incentives can generate interest in a comprehensive occupational health and safety program. However, incentives must not be used to support a weak health and safety program.

Appendix

Safety incentive promotions

When planning an incentive promotion, consider the following factors[12,13]. They can be useful in developing an incentive program that works effectively:

1. Workers should have equal opportunity to compete. Competing groups should be natural units, such as departments, rather than arbitrary divisions.

2. A promotion should be planned and conducted by a committee with members that represent all competing groups.

3. The promotion should be planned so that workers actively participate in improving the safety record, rather than just hoping to win. Keep workers' minds on safety, not on gifts.

4. Contests must be planned so that the winners do not lose group acceptance. Workers who do not win should not feel completely disappointed when the promotion ends. Disappointment can be devastating to some workers.

5. Contests should recognize results by effort rather than results by chance.

Safety incentive promotions *continued*

6. Rules must be easily understood. Use peer pressure constructively: watch out for unreported accidents. Strict controls by the health and safety committee must be maintained to prevent this from happening.

7. Establish a theme with attainable goals; use good publicity and create enthusiasm.

8. Choose awards that appeal to the interests of your workforce. Prizes need not be expensive. Deliver awards promptly.

9. How long a promotion lasts may be different for each promotion. Usually a duration of three to six months is most effective.

Examples

Below are two examples containing descriptive information to assist you in developing a promotion[14].

A. A workplace developed a promotion that focused on behaviour. All employees were required to do something about safety; all contributions were rewarded. There were fifty building blocks, and participants obtained blocks based on certain activities. For example, a quarter block was obtained by pointing out unsafe behaviour, reinforcing safe behaviour of another individual, or doing housekeeping items, such as coiling up hoses and wiping up spills. Half blocks were obtained by conducting a safety audit and conducting a safety team meeting. Full blocks were obtained by initiating safety projects, such as changing job practices, making changes to equipment or conditions that reduce hazards or conducting department-wide safety training.

B. At another workplace workers watched each other to see whether safety glasses were being worn. Each time a person was spotted not wearing the required eye protection, a check mark was put against that worker in a book. At the end of a given period, the two workers with the lowest check marks received a small prize. This workplace also rewarded safe behaviour by random spot checks and providing silver dollars to workers who were working safely.

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